GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:686
ANSWERED ON:09.05.2003
INDO-SRI LANKA TRADE RELATIONS
SRIKANTA DATTA NARASIMHARAJA WADIYAR;VIRENDRA KUMAR

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

:

(a) the specific areas under which Indo-Sri Lanka Trade relations exist at present;

(b) whether the Government have a proposal to expand the Indo-Sri Lanka trade relations; and

(c) if so, programmes drawn up in this direction for 2003-2004?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY)

(a) to (c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (c) OF LOK SABHA STARRED QUESTION NO.686 FOR ANSWER ON 09.05.03.

(a) A Free Trade Agreement (FTA) between India and Sri Lanka was signed on 28th December, 1998 in New Delhi. The FTA covers the area of trade in goods only and envisages phasing out of tariffs on all products, over a period of time, except for a limited number of items in the Negative List. With effect from 18th March 2003, India has granted duty free access to Sri Lanka on all the goods except those covered under the negative list and those under the Tariff Rate Quota. Sri Lanka will provide duty free entry on all Indian goods except those covered under its negative list by 2008.

(b) Yes, Sir, both sides have agreed in-principle to include trade in services to widen the ambit of the India-Sri Lanka Free Trade Agreement (FTA).

(c) A Task Force has been set up in this regard to draw up its future programmes.